

METROPOLITAN BEER PERMIT BOARD

RULES AND REGULATIONS

February 8, 2018

METRO-NASHVILLE BEER PERMIT BOARD RULES

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SECTION I

APPLICATION PROCESS

1.01 CONTENT OF APPLICATION

All applicants for beer permits must supply the name, address and date of birth of all owners and/or partners holding any interest in the retail establishments or locations where beer will be sold. The Beer Permit Board may consider the criminal history of any person having an interest in the named location when determining eligibility for permits of any kind.

All applicants for a permit of any kind relating to the sale of beer must be no less than twenty-one years of age.

1.02 FILING DEADLINE

All applications for beer permits must be filed at the office of the Metropolitan Beer Board at least ten (10) business days prior to the date of hearing by the Board.

1.03 EVIDENCE OF LEASE OR OWNERSHIP

When applying for an on or off-sale permit, all applicants shall show evidence of lease or ownership of the property where the business will be located.

1.04 HEALTH INSPECTIONS

Upon making application for a beer permit from the Metropolitan Beer Permit Board, applicants shall present written verification of compliance with pertinent Metropolitan Davidson County Health Department ordinances and regulations. The required health approval documentation should be presented to the Metropolitan Beer Permit Board administrative offices before Board consideration of a pending application. Failure to provide documents verifying health department approval may result in automatic deferral of applications until said document has been provided by the applicant. It is the responsibility of the applicant to ensure that documents verifying Metropolitan Health Department approval are provided to the Metropolitan Beer Permit Board administrative offices.

1.05 FIRE INSPECTIONS

Upon making application for an on-sale beer permit from the Metropolitan Beer Permit Board, applicants shall present written verification of compliance with pertinent Metropolitan Davidson County Fire Marshal's ordinances and regulations. The required Fire Marshal's approval documentation should be presented to the Metropolitan Beer Permit Board administrative offices before Board consideration of a pending application.

Failure to provide documents verifying Fire Marshal's approval may result in automatic deferral of applications until said document has been provided by the applicant. It is the responsibility of the

applicant to ensure that documents verifying metropolitan Fire Marshal's approval are provided to the Metropolitan Beer Permit Board administrative offices.

1.06 ACCEPTABLE FORMS OF PAYMENT

All application fees for beer permits and beer privilege taxes, must be paid in cash, cashier's check, certified check, personal check, business check, debit card or credit card. All such payments will be tendered at the time the application is accepted by the administrative offices of the Metropolitan Beer Permit Board.

1.07 LOCATIONS

An old location is any location that has had an on-sale or off-sale beer permit within the thirty (30) calendar days prior to the filing of an application for, or for any renewal of, a beer permit. A new location is any location that has not had an on-sale or off-sale beer permit within the thirty (30) calendar days prior to the filing of an application for, or for any renewal of, a beer permit.

1.08 LIMITED LIABILITY COMPANIES

For all purposes under the metropolitan beer laws, a limited liability company shall be treated as a corporation.

1.09 STALE APPLICATIONS

If an application has not been granted or denied within six months, it may be administratively closed and denied by the Beer Permit Board.

SECTION II

TYPES OF PERMITS

2.01 CATERER

Pursuant to Metropolitan Code of Laws Section 7.08.105(C), licensed caterers must provide, and the Metropolitan Beer Permit Board must receive, a written and/or electronic notice of any catered event for each site on which beer will be sold or distributed and consumed, the dates of such beer sales and consumption, as well as the individual or entity for whom the caterer is providing beer.

Such notice shall be given on a form provided by the staff of the Beer Permit Board. Such notice shall be submitted to and received by the staff of the Beer Permit Board by 4 pm C.S.T. at least one business day prior to the catered event. The staff of the Beer Permit Board will accept signed notices by certified U.S. mail, by hand delivery, or by email to beerboard@nashville.gov.

The permitted caterer shall transport or direct the transportation of the beer to and from the facility or location of the catered event, under the Board's transportation and delivery guidelines. The permitted caterer shall provide the staff to supervise the serving and/or dispensing of beer during catered events.

A caterer may not cater beer to any location, facility, business, or other entity that is ineligible for either a temporary beer permit or special event beer permit. A caterer may not cater beer to any location, facility, business, or other entity that has a pending violation or has had a beer permit revoked, suspended or denied. A caterer is not precluded from using its permit based solely on distance requirements except as provided in Metropolitan Code of Laws Section 7.08.105(E).

No facility, business, or entity may use caterers to provide beer on a recurring basis and for more than two consecutive weeks at the same location as an alternative to obtaining its own beer permit. To that end, no business or other entity may have beer sold or served by a caterer more than five (5) consecutive days per week, provided however, that such license shall allow the caterer one day immediately before the catering days and one day immediately after the catering days for the transporting and storing of beer for a licensed catered event. For purposes of this rule, a week is defined as Monday through Sunday.

Caterer's permit holders shall be responsible for ensuring that all beer catering is conducted in compliance with all local and state beer laws and the rules of the Beer Permit Board.

2.02 SPECIAL EVENTS

Applicants for special event permits will be limited in the number of days for which such permits can be granted per month. In order to prevent the abuse of numerous special events as a means of circumventing beer permit regulations, applicants for special events must identify the exact dates and locations of the special events requested. No applicant may be granted special event permits for more than ten (10) days in any given month. Additionally, no applicant may be granted more than fifty (50) special events days per calendar year. No special event permits shall be granted by the Board more than four (4) months in advance of the date requested by the applicant, except where the applicant is a 'bona fide charitable or non-profit organization' as described in Beer Board Rule 8.

To obtain a special event permit, the following documents must be submitted to the Beer Permit Board at least ten business days prior to the date of the event:

- (1) A completed and notarized application;
- (2) If the applicant is a bona fide political organization, then the applicant shall submit documentation that it is either a political campaign committee as defined in T.C.A. § 2-10-102(a) or that it is a political party as defined at T.C.A. § 2-13-101;
- (3) Proof that the applicant is registered with the Secretary of State's Office as a charitable, non-profit organization;
- (4) The application fee; and
- (5) Any other documents that the Beer Permit Board may request.

2.03 SPECIAL EVENTS – NECESSARY DOCUMENTATION

When applying for a special event permit, applicant must submit approval for the proposed event in writing from:

- A. Department of Health
- B. Fire Marshal Approval
- C. Certificate of Registration or Tax Exempt Letter from Charity or Non-profit organizations
- D. Letter from charitable organization (only if event is held on public property and applicant is not a charity, non-profit or political organization – see Rule 8)
- E. Letter of permission to use the Property (From property owner, Parks Department, Public Works, etc.)
- F. Present verifiable proof of proper security.

2.04 SPECIAL EVENTS ON PUBLIC PROPERTY

Special Events held on public property can only be issued a special event permit if the event benefits a "bona fide political organization" or a "bona fide charitable or nonprofit organization" as defined in T.C.A. 57-4-102. All Special Event applicants or caterers must provide written notice from the benefitted entity to the Beer Board confirming its involvement in the Special Event, as well as documentation of the benefitted entity's status as a "Bona fide political organization or "bona fide charitable or nonprofit organization."

TEMPORARY PERMITS

2.05 AUTHORITY TO ISSUE TEMPORARY PERMITS

The Executive Director to the Metropolitan Beer Permit Board may issue a temporary license to sell beer to any person or entity who meets the following requirements:

- A. Said applicant shall state under oath that the said individual or entity owns a business enterprise which will involve the sale of beer; and
- B. Said applicant has completed under oath an application for a beer permit; and
- C. The information included on said form does not conflict with any of the requirements for the issuance of a beer permit; and
- D. All required documents for the issuance of a beer permit shall have been submitted to the Beer Board office.

Upon completion of these requirements, and there being no items of discussion before the Beer Board, the Executive Director may issue a temporary license to that person or entity to allow the sale of beer until the application for a beer permit has been heard by the Beer Permit Board. This license shall expire on the date of the next meeting of the Beer Permit Board in which such person's beer permit application can be heard, but not to exceed 30 days, whichever is first.

2.06 TEMPORARY PERMIT – PENDING COMPLAINT OR CITATION

A permit shall not be issued by the Executive Director or the Metropolitan Beer Permit Board to any applicant that has a pending citation or complaint by a beer inspector or law enforcement officer. However, in the event of a complete change in ownership, when the former owner has relinquished all of his interest in the location at issue, a temporary permit may be granted to the new owner of a location if no violation is pending against him and if he meets all requirements for obtaining a permit.

2.07 SIGNAGE

All retail permittees shall conspicuously post laws and regulations governing the sale of beer in a location easily observed by the public. Regulations and laws governing the sale of beer to under-aged persons shall be conspicuously posted near the cash register of all establishments engaging in the retail sale of beer.

SECTION III

RESTRICTIONS

3.01 FORMS OF IDENTIFICATION

- B. When ascertaining the age of a person purchasing or attempting to purchase beer, a permittee or licensee must view one or more of the following documents:
1. Valid drivers license from the State of Tennessee. (If not in possession of a Tennessee Drivers License, purchaser must show other identification)
 2. United States Active Duty Military Identification,
 3. Passport,
 4. A valid identification card showing a recent photograph, issued by any agency of the State or County for the purpose of identification.

3.02 MINIMUM AGE RESTRICTIONS

No person under 18 years of age shall transport, possess, sell or dispense beer or other beverages with an alcoholic content of eight (8%) percent or less by weight.

3.03 OFF-SALE PERMITEE

An off-sale beer permittee shall sell beer only in commercially sealed containers. In the event that the off-sale beer permittee desires to commercially seal the containers containing beer on said permittee's premises, said permittee shall seal the containers in an area separate from the area which is used by the public. The presence of a non-commercially sealed or unsealed container containing beer within an area of the off-sale beer permittee's premises which are used by the public is strictly prohibited. The presence of a non-commercially sealed or unsealed container containing beer within an area of the off-sale beer permittee's premises which are used by the public creates a presumption that the off-sale beer permittee is selling beer for on-premises consumption.

3.04 RESTRICTIONS ON DRIVE-THROUGH OR DELIVERY WINDOWS

Beer shall not be sold through any drive-through or delivery window or by curb service by any retail establishment possessing an on-premises or off-premises beer sale permit.

3.05 RESTRICTIONS ON DELIVERIES

No permittee nor any of his/her agents shall deliver beer from a business establishment to the home or any other location of the consumer where the sale and delivery of beer and/or other goods are made simultaneously at the location of the consumer.

3.06 RESTRICTIONS ON EXPANSION OF PREMISES

No permittee shall expand the premises for which a permit to sell beer has been previously granted beyond the premises described in the permit application. A permit may be issued for the entirety of any expanded premises or for each of the separate contiguous premises operated by the permittee at the expanded premises only upon proper application by owner and surrender of the permit previously issued at the premises. Beer may not be sold on any premises for which a permit has not been issued. Any new permit(s) shall be issued only following an inspection by a beer permit inspector to insure the expanded premises are in compliance with all laws of the State of Tennessee and the Code of the Metropolitan Government of Nashville and Davidson County governing the sale of beer, and to insure the expanded premises are not inimical to the public health, safety, and morals of the inhabitants of Metropolitan Nashville and Davidson County. Payment of all application fees for each beer permit issued at the expanded premises is required.

3.07 SURRENDER PERMITS

Permittees shall surrender their permits, in person, at the offices of the Metropolitan Beer Permit Board, during its business hours, immediately following the termination of their association with the business or location for which the permit(s) have been issued, except as provided by sections 5-1-23(f) & 5-1-23.3(i) of the Metropolitan Code of Laws or except in cases of death, illness, absence from the Metropolitan Government area, or similar circumstances.

3.08 BOARD AUTHORITY

The Board is the final authority as to the meaning of these rules. On occasion, and with good cause shown, the Board may make an exception to these rules for extraordinary circumstances. The factual basis for said exception shall be set out there forth.

SECTION IV

DISCIPLINE

4.01 NO DEFENSE

In disciplinary proceedings, it shall be no defense that an employee or agent of a permittee acted contrary to order or that the permittee did not personally participate in the violating act or acts. Permittees are responsible for ensuring knowledge of and compliance with the Beer Permit Laws of The Metropolitan Government of Nashville and Davidson County and the Rules of the Beer Permit Board, among agents or employees.

4.02 MORAL TURPITUDE

The Metropolitan Beer Permit Board recognizes the following crimes to be crimes of moral turpitude:

Premeditated murder, all sex related crimes, selling of Schedule 1 and 2 controlled substances illegally, and fraud and/or embezzlement. For purposes of this Rule, the Board recognizes the identification of Schedule 1 and 2 substances as defined by Tennessee Code Annotated sections 39-17-406 and 39-6-408, respectively.

4.03 COMPLAINTS

All complaints requested to be heard by the Metropolitan Beer Permit Board shall be filed in writing with the Executive Director of the Metropolitan Beer Permit Board. Such complaints shall consist of the name, address and telephone number of the person or persons making the complaint and the name, address, telephone number, and nature of the complaint of the alleged offending party.

4.04 BOARD RETAINS AUTHORITY

A permit holder may not avoid a hearing or probation, suspension, or revocation of a permit by surrendering the permit. In the event of surrender of a permit, the Beer Board shall retain its authority to take action on any alleged violation that may have occurred prior to the surrender of a permit.

4.05 CONSIDERATION OF PAST VIOLATIONS

The beer board shall consider a permit holder's past violations in determining penalties for violations of Metropolitan Government ordinances. Where a business changes ownership, violations under the previous owner shall be considered unless there is a substantial ownership change, which shall consist of at least a fifty (50) percent change in ownership since the previous violation. A change in the legal

organization of a permit holder shall not constitute a substantial ownership change unless there is at least a fifty (50) percent change in the persons who own the new legal entity.

4.06 SUSPENSION PROCEDURE

Upon suspension of a beer permit, the permittee whose permit has been suspended must provide a new, unused and unopened padlock(s) (including chains, cables, etc. as necessary) suitable to the Beer Permit Board Inspector, at the permittee's own expense. On the day the suspension begins, the Inspector will appear at the permitted location at a time mutually agreeable to the permittee and the Inspector. Upon the Inspector's arrival, the permittee must have the beer in a location that can be secured with the padlock so long as the secured area is within the permitted space. The permittee must provide the padlock(s) to the Inspector who will oversee the inventory of the beer, lock the padlock(s) to secure the beer, and retain the key(s) until the suspension has been served. On the morning following the term of the suspension, the Inspector will revisit the location, oversee the re-inventory of the beer to ensure compliance and return the key(s) to the permittee, after the beer permit has been properly displayed at the location.

4.07 ADMINISTRATIVE PROCEDURE – NO MOTION FOR RECONSIDERATION

The Beer Permit Board shall not entertain motions for reconsideration. Persons wishing to appeal the decisions of the Beer Permit Board may avail themselves of the processes set out in T.C.A. 57-5-108 and should contact their own independent legal counsel to ensure that all procedural requirements have been met.

4.08 SPORTS AUTHORITY FACILITIES

This rule is applicable only to beer sales within sports authority facilities, as defined by TCA § 57-4-102. Unless the public health, safety, and welfare is at risk for reasons other than sales of beer to minors, as determined by the beer permit board, the maximum penalty for a sale of beer to a minor shall be a civil penalty not to exceed \$2,500 for each citation, except as required by TCA § 57-1-214(a) and any successor statute, if the following provisions are demonstrated:

1. The permit holder has a policy of terminating employment for any employee or takes equivalent action for any other person that sells beer to a minor;
2. The permit holder terminates employment or takes equivalent action for any person that sells beer to a minor;
3. The permit holder assists law enforcement with prosecution against any person that sells beer to a minor and trains staff about the criminal consequences of sales to minors;
4. The permit holder requires mandatory training with a nationally-recognized responsible alcohol service program (like TIPS or TEAM) for all employees or other servers of alcohol at the sports authority facility;
5. The permit holder requires mandatory pre-shift meetings for all servers working the event prior to all events, which include reminders about the necessity of requiring proper identification for all beer sales;
6. The server, from which the complaint arises, attended a pre-shift meeting prior to the event;

7. The permit holder requires presentation of age identification for every person seeking to purchase a beer;
8. The permit holder posts signage concerning universal carding and date of birth eligibility for the purchase of a beer;
9. The permit holder limits sales to two beers per transaction for each person seeking to purchase a beer and posts signage of the policy;
10. The permit holder conspicuously posts signage concerning the criminal penalties for patrons under the age of 21 attempting to purchase alcohol; and
11. The permit holder has a policy of referring patrons under the age of 21 attempting to purchase alcohol to law enforcement for criminal sanctions.

LOCATION OF OPERATIONS

4.09 GRANDFATHERED APPLICATIONS

1. The grandfather clause of Ordinance 092-246, as amended, is interpreted as follows:

A business is grandfathered if,

- (a) it had a beer permit in effect on the effective date of the ordinance (May 26, 1992), or;
- (b) a business did not have a beer permit in effect on the effective date of the ordinance, but had one prior to the effective date of the ordinance, and the period between the last effective date of the prior permit and the date that a new application is filed does not exceed three hundred sixty-five (365) days. The time period is calculated as follows: the first day counted is the day after the last effective date of the permit, and the last day counted is the day that the application for a new permit is filed. If, however, the prior permit was granted after January 1, 1992, and was not subject to any distance requirement, the business shall not be grandfathered.

Any business grandfathered under either of the foregoing shall continue to be grandfathered so long as a beer permit remains 'in effect without a lapse of more than three hundred sixty-five (365) days, even if there is a change of ownership. The period without a permit (lapse) is counted as follows: the first day counted is the day after expiration of the prior permit and the last day counted is the day that the application for a new annual permit is filed.

DISTANCE

2. The distance requirements do not apply to a retailer on-premises (on sale) permit that is: (1) for an establishment that is located in an MUL zoning district, as determined by Codes Administration, (2) that is obtained prior to April 30, 1993, and (3) that is for an establishment for which more than fifty percent (50%) of the gross sales are derived from the sale of food, excluding sales of alcoholic beverages. A retailer on-premises permit that is exempt from the distance requirements in accordance with the foregoing remains exempt so long as it remains in effect without a lapse of more than three hundred sixty

five (365) days, even if there is a change of ownership. The period without a permit (lapse) is counted as follows: the first day counted is the day after expiration of the prior retailer on-premises permit and the last day counted is the day that the application for a new annual retailer on-premises permit is filed. The exemption does not apply to permits other than retailer on-premises permits or to any establishment that does not meet or does not continue to meet all requirements for exemption.

3. Additional rules of construction are as follows:

- (a) An effective beer permit includes a temporary beer permit, as long as all requirements for an annual beer permit were met at the time of issuance.
- (b) In counting the three hundred sixty five (365) days, all days are counted, including weekends, holidays, and other non-business days.
- (c) A permit in effect is one that has not expired, been revoked, or been surrendered.
- (d) Distances for special event permits shall be measured from the perimeter of the area where beer shall be stored, sold, and/or consumed.
- (e) Special events shall be grandfathered if the event was issued a special event permit during the one year prior to May 26, 1992, and is held at the same location as the prior year's event and shall continue to be grandfathered every year thereafter so long as the event is held annually, is held at the same location each year, and is issued a special event permit each year. If the event is not held, the location is changed, and/or a special event permit is not issued for the event in any year, the event will no longer be grandfathered.

This update of the Metro Beer Licensing Board's Rules was reviewed and adopted by the Metro Beer Licensing Board on February 8, 2018 and filed with the Metropolitan Clerk's Office on February 9th, 2018.

Chairperson